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**BEFORE THE
PHYSICAL THERAPY BOARD OF CALIFORNIA
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

Case No. 1D 2004 64043

KARL STEPHEN SCHMETZ
181 Deer Hollow Road
San Anselmo, CA 94960

A C C U S A T I O N

Physical Therapist License No. PT 11351

Respondent.

Complainant alleges:

PARTIES

1. Steven K. Hartzell (Complainant) brings this Accusation solely in his official capacity as the Executive Officer of the Physical Therapy Board of California, Department of Consumer Affairs.

2. On or about January 4, 1983, the Physical Therapy Board of California issued Physical Therapist License Number PT 11351 to Karl Stephen Schmetz (Respondent). The Physical Therapist License was in full force and effect at all times relevant to the charges brought herein and will expire on April 30, 2007, unless renewed.

JURISDICTION

3. This Accusation is brought before the Physical Therapy Board of California (Board), Department of Consumer Affairs, under the authority of the following laws.

1 All section references are to the Business and Professions Code unless otherwise indicated.

2 4. Section 2609 of the Code states:

3 The board shall issue, suspend, and revoke licenses and approvals to practice
4 physical therapy as provided in this chapter.

5 5. Section 2660 of the Code states:

6 The board may, after the conduct of appropriate proceedings under the
7 Administrative Procedure Act, suspend for not more than 12 months, or revoke, or impose
8 probationary conditions upon any license, certificate, or approval issued under this chapter for
9 unprofessional conduct that includes, but is not limited to, one or any combination of the
10 following causes:

11 (i) Conviction of a violation of any of the provisions of this chapter or of
12 the State Medical Practice Act, or violating, or attempting to violate, directly or
13 indirectly, or assisting in or abetting the violating of, or conspiring to violate any
14 provision or term of this chapter or of the State Medical Practice Act.

15 (l) The commission of any fraudulent, dishonest, or corrupt act which is
16 substantially related to the qualifications, functions, or duties of a physical
17 therapist or physical therapy assistant.

18 6. Section 2661.5 of the Code states:

19 (a) In any order issued in resolution of a disciplinary proceeding before
20 the board, the board may request the administrative law judge to direct any
21 licensee found guilty of unprofessional conduct to pay to the board a sum not to
22 exceed the actual and reasonable costs of the investigation and prosecution of the
23 case.

24 (b) The costs to be assessed shall be fixed by the administrative law judge
25 and shall not in any event be increased by the board. When the board does not
26 adopt a proposed decision and remands the case to an administrative law judge,
27 the administrative law judge shall not increase the amount of the assessed costs
28 specified in the proposed decision.

1 (c) When the payment directed in an order for payment of costs is not
2 made by the licensee, the board may enforce the order of payment by bringing an
3 action in any appropriate court. This right of enforcement shall be in addition to
4 any other rights the board may have as to any licensee directed to pay costs.

5 (d) In any judicial action for the recovery of costs, proof of the board's
6 decision shall be conclusive proof of the validity of the order of payment and the
7 terms for payment.

8 (e) (1) Except as provided in paragraph (2), the board shall not renew or
9 reinstate the license or approval of any person who has failed to pay all of the
10 costs ordered under this section.

11 (2) Notwithstanding paragraph (1), the board may, in its discretion,
12 conditionally renew or reinstate for a maximum of one year the license or
13 approval of any person who demonstrates financial hardship and who enters into a
14 formal agreement with the board to reimburse the board within that one year
15 period for those unpaid costs.

16 (f) All costs recovered under this section shall be deposited in the
17 Physical Therapy Fund as a reimbursement in either the fiscal year in which the
18 costs are actually recovered or the previous fiscal year, as the board may direct.

19 7. Section 2630 of the Code states:

20 It is unlawful for any person or persons to practice, or offer to practice, physical
21 therapy in this state for compensation received or expected, or to hold himself or herself out as a
22 physical therapist, unless at the time of so doing the person holds a valid, unexpired, and
23 unrevoked license issued under this chapter.

24 Nothing in this section shall restrict the activities authorized by their licenses on
25 the part of any persons licensed under this code or any initiative act, or the activities authorized
26 to be performed pursuant to Article 4.5 (commencing with Section 2655) or Chapter 7.7
27 (commencing with Section 3500).

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1 FIRST CAUSE FOR DISCIPLINE

2 (Unlicensed practice)

3 8. Respondent is subject to disciplinary action under sections 2660(l)
4 [dishonest act] and 2630 [unlicensed practice] in that he knowingly failed to renew his license
5 and continued to work as a physical therapist while unlicensed. The circumstances are as
6 follows:

7 9. On or about January 4, 1983, the Board issued license number PT 11351
8 to respondent. The license expired on April 30, 2003. On or about November 8, 2004, Mike
9 McCormick, Consumer Protection Services for the Board, mailed a letter to respondent at his
10 address of record, informing him that his license had expired on April 30, 2003. Respondent
11 continued to work as a physical therapist but did not renew his license until November 19, 2004.
12 On November 19, 2004, his license was renewed with an expiration date of April 30, 2005.

13 10. On or about April 30, 2005, respondent's license expired. On or about
14 May 26, 2005, the Board sent a letter to Financial District Physical Therapy, respondent's
15 employer, via certified mail. The letter stated that respondent's license had expired April 30,
16 2003 (sic) and had not been renewed. The license had actually expired on April 30, 2005.

17 11. On or about July 7, 2005, respondent telephoned the Board and spoke to
18 Debra Matson in Consumer Protection Services. Respondent stated that he was the sole owner of
19 Financial District Physical Therapy. Ms. Matson informed respondent that his license had
20 expired on April 30, 2005 and cautioned him that he should not practice until his license was
21 renewed. Respondent stated that he would send in his payment immediately, but he failed to do
22 so.

23 12. On May 24, 2006, Division of Investigation (DOI) Investigator Robert
24 Bourke interviewed respondent at his office, and respondent admitted that he had spoken to Ms.
25 Matson at the Board and was aware that his license had expired. He admitted that he had not
26 renewed his license. Respondent did not renew his license until July 18, 2006.

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13. On or about October 5, 2006, respondent produced patient records which indicated that he was practicing as a physical therapist during the periods of time that he was not licensed; specifically from April 30, 2003 through November 18, 2004 and from April 30, 2005 through July 17, 2006.

14. Therefore, Respondent's license is subject to discipline under sections 2660(1) and 2630 in that he knowingly failed to renew his license and continued to work as a physical therapist while unlicensed.

PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Physical Therapy Board of California issue a decision:

1. Revoking or suspending Physical Therapist License Number PT 11351,
issued to Karl Stephen Schmetz.

2. Ordering Karl Stephen Schmetz to pay the Physical Therapy Board of California the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 2661.3;

3. Taking such other and further action as deemed necessary and proper.

DATED: December 21, 2006

Original Signed By: _____
STEVEN K. HARTZELL
Executive Officer
Physical Therapy Board of California
Department of Consumer Affairs
State of California
Complainant